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SUBJECT: SEOUL - PRESS BULLETIN; FEBRUARY 10, 2010

TOP HEADLINES

Chosun Ilbo

President Lee Mentions Qualities Necessary to be Next (ROK) Leader;
Suspicion that He May Have Taken Aim
at Former Ruling GNP Chairperson Park Geun-hye

JoongAng Ilbo

Minor Opposition Democratic Labor Party Suspected of Laundering 5.5
Billion Won in Illegal Political Contributions

Dong-a Ilbo

ROK Says N. Korea Faces Four-Month Food Shortage
This Year; Continued "March of Hardship"

Hankook Ilbo, Segye Ilbo, Seoul Shinmun, All TVs

Is Coordination for N. Korea's Return to Six-Party Talks Picking Up
Speed?; N. Korea's Nuclear Negotiator Visits China,
while Special UN Envoy Arrives in Pyongyang

Hankyoreh Shinmun

"Gagged" Broadcasting; A Retreat to Dictatorship Feared

DOMESTIC DEVELOPMENTS

Defense Minister Kim Tae-young, in a Feb. 9 symposium hosted by the
Korea Institute for Defense Analyses (KIDA), said that there is a
possibility that a small number of USFK troops may be deployed
overseas in line with the U.S. military's "strategic flexibility"
and that discussions are underway between the two countries
regarding the prospect. (JoongAng, Dong-a, Hankook)

On Feb. 4, a group of 67 U.S. Democratic lawmakers urged President
Barack Obama to move quickly to ratify the KORUS FTA. Attention is
being focused on whether this suggests a possible change of stance
in U.S. political circles on the KORUS FTA. (Dong-a, Hankook, Segye,
Seoul)

INTERNATIONAL NEWS

North Korea's Chief Nuclear Negotiator Kim Kye-gwan visited China yesterday and reportedly met with Wu Dawei, former Chinese Vice Foreign Minister and Chair of the Six-Party Talks. (All)

This visit came a day after North Korean leader Kim Jong-il met in Pyongyang with visiting Senior Chinese Envoy Wang Jiarui and reaffirmed his commitment to denuclearization, saying: "The sincerity of relevant parties toward the resumption of the Six-Party Talks is very important." (All)

According to China's Xinhua News Agency, the senior Chinese envoy conveyed to the North Korean leader an invitation to visit Beijing from Chinese President Hu Jintao. (All)

According to a diplomatic source, Stephen Bosworth, Special Representative for North Korea Policy, said during a Feb. 3 seminar in Washington that North Korea's internal situation is complicated by issues such as a power succession and the currency reform. (JoongAng)

MEDIA ANALYSIS

-N. Korea

All ROK media gave prominent play to the visit by North Korea's Chief Nuclear Negotiator Kim Kye-gwan to China yesterday, a day

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after North Korean leader Kim Jong-il met in Pyongyang with visiting Senior Chinese Envoy Wang Jiarui.

According to media reports, Kim Kye-gwan flew to Beijing in the same plane as Wang, who just ended his four-day visit to Pyongyang, and reportedly met with Wu Dawei, former Chinese Vice Foreign Minister and Chair of the Six-Party Talks, in a move thought to be related to the possible reopening of the Six-Party Talks.

All media, citing China's official Xinhua News Agency, also reported that North Korean leader Kim Jong-il reaffirmed his commitment to denuclearization during his meeting with the visiting Chinese envoy, saying: "The sincerity of relevant parties towards the resumption of the Six-Party Talks is very important."

Conservative Dong-a Ilbo, in a related development, observed in a front-page report: "The North Korean leader simply reiterated the North's principles. ... This may indicate that his meeting with Wang may have focused on pending bilateral issues, such as China's assistance to North Korea."

Conservative Chosun Ilbo quoted an ROKG official as saying: "It seems that China has resumed its initiative to bring North Korea back to the table, and the prospects for the Six-Party Talks seem to have brightened a little."

Moderate Hankook Ilbo editorialized: "(North Korean Leader Kim Jong-il's remark) seems to show that North Korea holds other parties accountable for the stalled Six-Party Talks, while maintaining its position that it will not rejoin the Six-Party Talks before international sanctions are lifted. ... Growing conflicts between the U.S. and China in various areas also cast a dark shadow over the prospects for resuming the Six-Party Talks. Without close cooperation between the U.S. and China, it will be much more difficult to make North Korea change its attitude. ... Each party should first exert active efforts, instead of demanding determination from the others."

With regard to North Korea's call for a peace treaty, Chosun Ilbo carried an op-ed that said: "If North Korea returns to the Six-Party Talks and shows a 'sincere attitude' toward dismantling its nuclear program, there is no need to oppose a 'peace forum' to discuss the establishment of a peace regime on the Korean Peninsula. At the same time, the ROK, the U.S. and Japan should make an effort to share its vision of the future with China, (a vision) in which an

alliance and a multilateral security system could coexist in Northeast Asia, just as NATO and the Organization for Security and Co-operation (OSCE) coexist in Europe. Only then can we deal with North Korea's demand for a peace regime and expect China's sincere cooperation."

Citing a diplomatic source, right-of-center JoongAng Ilbo carried a front-page report quoting Stephen Bosworth, Special Representative for North Korea Policy, as saying during a Feb. 3 seminar in Washington that North Korea's internal situation is complicated by issues such as a power succession and the currency reform. He was further quoted: "If North Korea returns to the Six-Party Talks and shows a sincere attitude toward nuclear dismantlement, it would be possible to begin a peace forum."

OPINIONS/EDITORIALS

PRESIDENT LEE MYUNG-BAK'S OPCON DILEMMA
(Chosun Ilbo, February 10, Page 30; Excerpts)

By Editorial Writer Park Doo-sik

ROK President (Lee Myung-bak) has not raised the issue of the transfer of wartime operational control (OPCON). (It seems that) this is because he is concerned that his request for a renegotiation of OPCON transfer may be rejected by the U.S. Recent actions by the U.S. indicate that the U.S. has no intention of reversing the

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agreement that calls for a transfer of wartime operational control to the ROK on April 17, 2012. The Quadrennial Defense Review (QDR) released by the U.S. Department of State shows the U.S.'s determination to curtail its burden on the Korean Peninsula.

International agreements may be changed depending on international relations. But we may have pay if we want to reverse the agreement on the OPCON transfer. The five-year project to build-up the ROK military, which was unveiled in 2006, will cost 151 trillion won. Delaying the timing of OPCON transfer will not lead to a reduction in this budget. Moreover, we may end up shouldering a bigger burden because of additional defense costs and purchase of weapons. President Lee's real concern is that if the ROK hastily demands a renegotiation of the OPCON transfer, it may have to pay a greater price.

However, the ROK, which is the world's 10th economic power, should be ready to bear such a burden to defend itself.

WHAT NORTH KOREA AIMS FOR THROUGH A PEACE TREATY
(Chosun Ilbo, February 10, Page 31; Excerpts)

By Korea University Professor Kim Sung-han

There are three things North Korea wants (by demanding a peace treaty with the U.S.) First, North Korea says that the U.S. should abandon its hostile policy toward the North, which it claims prompted the country to develop its nuclear weapons. Second, North Korea argues that, in order to end its hostile policy toward the North, the U.S. should redefine its alliance with the ROK by signing a peace treaty with North Korea. Third, the North seeks to blur the nuclear issue by bringing up both the nuclear issue and the peace treaty simultaneously even if it returns to the Six-Party Talks.

If North Korea returns to the Six-Party Talks and shows a 'sincere attitude' toward dismantling its nuclear program, there is no need to oppose a 'peace forum' to discuss the establishment of a peace regime on the Korean Peninsula. At the same time, the ROK, the U.S. and Japan should make an effort to share its vision of the future with China, (a vision) in which an alliance and a multilateral security system could coexist in Northeast Asia, just as NATO and the Organization for Security and Co-operation (OSCE) coexist in Europe. Only then can we deal with North Korea's demand for a peace regime and expect China's sincere cooperation.

MORE EFFORTS NEEDED BY RELEVANT COUNTRIES TO RESUME SIX-PARTY TALKS

(Hankook Ilbo, February 10, Page 39)

North Korea's Chief Nuclear Negotiator Kim Kye-gwan yesterday made a surprise visit to China. His visit is noteworthy because it followed shortly after Senior Chinese Envoy Wang Jiarui's four-day trip to North Korea. Kim and Wang flew to Beijing on the same flight. The Koryo Airline flight returned to North Korea after UN Political Chief Lynn Pascoe boarded the same day. We hope that these moves by Pyongyang and Beijing will lead to the resumption of the Six-Party Talks.

The purpose and itinerary of Kim's visit to China are not yet clear.

But it is highly likely that North Korea and China will further discuss the resumption of the Six-Party Talks and the denuclearization of the Korean Peninsula. Earlier, during his meeting with North Korean leader Kim Jong-il, Wang delivered President Hu Jintao's letter to him and discussed the denuclearization of the Korean Peninsula. Some people expect that a specific schedule for restarting the Six-Party Talks may be set this time. The fact that Ri Gun, Director General of American Affairs at North Korea's Foreign Ministry, accompanied Kim signals a possibility that the North may have contact with the U.S.

However, a closer look indicates that things are not that positive. During his meeting with Wang earlier, Kim Jong-il just stressed the

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need for sincerity and earnestness from relevant parties without directly mentioning the North's (intention to) return to the Six-Party Talks. This seems to show that North Korea holds other parties accountable for the stalled Six-Party Talks, while maintaining its position that it will not rejoin the Six-Party Talks before international sanctions are lifted. The UN envoy's visit could turn around situations. However, given (recent) international developments, it will be difficult to find a breakthrough in the near future if North Korea sticks to this position.

Growing conflicts between the U.S. and China in various areas also cast a dark shadow over the prospects for resuming the Six-Party Talks. Without close cooperation between the U.S. and China, it will be much more difficult to make North Korea change its attitude.

It bodes ill that working-level talks for the resumption of tours to Mt. Kumgang and Kaesong produced no results. Delaying the resumption of the Six-Party Talks will not be helpful for (any of the Six-Party Talks) countries including North Korea. Each party should first exert active efforts, instead of demanding determination from the others.

FEATURES

"NORTH KOREA'S INTERNAL SITUATION IS COMPLICATED BY SUCH ISSUES AS POWER TRANSFER AND CURRENCY REFORM"

(JoongAng Ilbo, February 10, 2010, Front Page)

By Reporter Kang Chan-ho

According to a diplomatic source on February 9, U.S. Special Representative for North Korea Policy Stephen Bosworth said, "North Korea's internal situation is complicated. Due to issues such as a hereditary power transfer and the currency reform, it is presumed that even the inner leadership circle is very concerned (about the North's situation). He added 'North Korea should not be like this.'" Ambassador Bosworth made the remarks during a closed-door seminar on a "Peace Regime on the Korean Peninsula," which was hosted by the Institute of Foreign Policy Analysis in Washington on February 3, local time.

Another U.S. official in charge of Korean Peninsula affairs, who also attended the seminar, explained, "Due to several sanctions, such as a ban on weapons exports, the North seems to have some

serious problems with its cash flow. The U.S. considers sanctions against the North successful, and not only China but also Russia is cooperating well (on sanctions.)"

The source said that regarding Pyongyang's call for peace treaty talks, Ambassador Bosworth noted, "Some USG officials say that when North Korea makes considerable progress in dismantling its nuclear programs, a peace treaty forum should start, but I think that it is an excessive position," adding, "If North Korea returns to the Six-Party Talks and shows a sincere attitude toward nuclear dismantlement, it would be possible to begin a peace forum." When asked, "Are you willing to visit (Pyongyang) if there is a request from China," he responded, "If North Korea's return to the Six-Party Talks is guaranteed, I could show that degree of flexibility."

REASONS FOR THE U.S. TO RATIFY THE KORUS FTA
(Dong-a Ilbo, February 10, 2010, Page 31)

A group of 31 representatives of the U.S. ruling Democratic Party took the unusual move of making their case for supporting the ROK-U.S. Free Trade Agreement (FTA) during a February 4 meeting with U.S. Trade Representative Ron Kirk. They sent President Barack Obama a letter saying, "We will actively cooperate on trade agreements which open up the U.S. investment market." Democratic lawmakers, who were opposed to ratifying the FTA due to opposition from the U.S. auto industry's labor union, have realized that trade expansion is beneficial to economic growth and job creation. Therefore, the prospects for ratifying the deal have increased to

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some extent.

It was believed that, with the mid-term election set for November, the U.S. Congress would not likely address the KORUS FTA bill this year. Now that Democratic representatives have taken a different approach (to the treaty), the USG should take up this issue again. In his State of the Union Address in January, President Obama said in reference to the ROK, "We will strengthen our trade relations in Asia and with key partners like South Korea and Panama and Colombia." The President should put his words into action by hastening to complete work on the ratification of the trade pact before November. If the KORUS FTA takes effect, it will expand the ROK-U.S. partnership into the fields of diplomacy, security and culture and become an opportunity for nations to view the U.S.'s trade policy positively. It is not in the U.S. national interest to drag its feet.

Since the economic recession started in December, 2007, about 8.4 billion jobs have vanished in the U.S. Although the unemployment rate for January dropped to 9.7 percent, the lowest level since last August, it is not because new jobs were created but because those who give up efforts to search for jobs were excluded from the statistics. President Obama said, "If America sits on the sidelines while other nations sign trade deals, we will lose the chance to create jobs on our shores." He should try to persuade Congress and the general public (of the benefits of ratifying the FTA) so that it (can be ratified.)

The Obama Administration, though suffering a budget deficit, drew up the 2011 budget to include 100 billion dollars for job-creating programs. The KORUS FTA could be a good complementary measure in the sense that it can create jobs without an additional fiscal burden. Because the ROK has implemented its trade pact with India and is discussing an early implementation of the FTA with the EU, the U.S. may lose a good opportunity to enter the ROK market (if it doesn't ratify the KORUS FTA.)

For the ROK, the KORUS FTA is a way to move toward a bigger market. The ROK National Assembly should also hasten to approve the FTA bill at its plenary session so that an opportunity will be open for the ROK economy.

STEPHENS